

Financial Overview at NIH

Office of Financial Management
National Institutes of Health

Introduction

- J. Wayne Berry
- Deputy Assistant Director for Finance
- wb75m@NIH.GOV
- Office of the Director
- Office of Financial Management

Office of Financial Management

- Grant accounting
- Travel
- Commercial Payments
- General Ledger
- Preparation of Financial Statements
- Contract accounting

Objectives

- Promote best practices
- Chance to meet and discuss
- Explain current processes
- Roles and Responsibilities

Goals

- Understand responsibilities of NIH staff as well as yours.
- Unique program requirements
- Manage funds in same manner as all sources of support

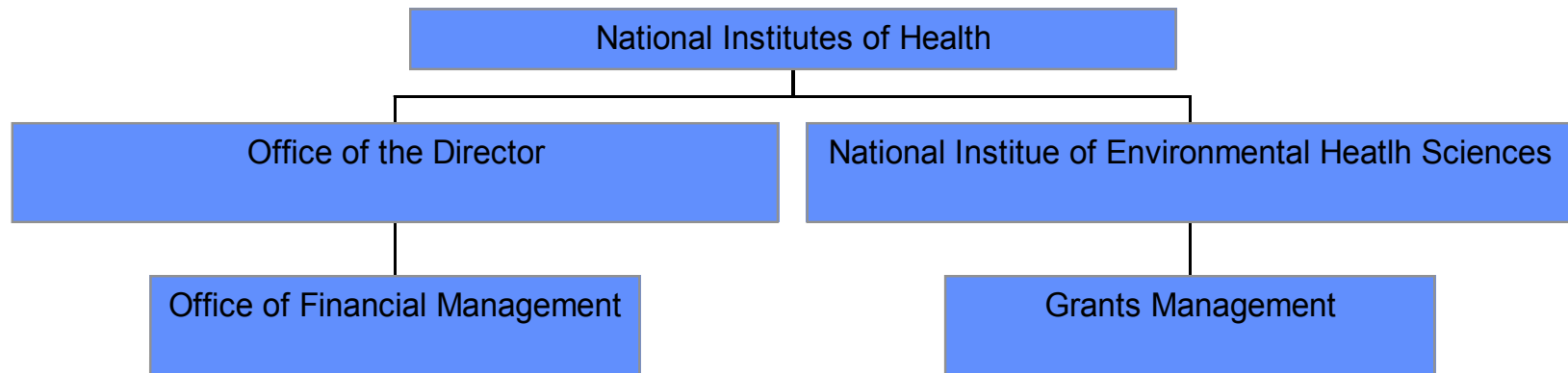
Grants Financial Requirements

- Chief Financial Officer Act
- Government Performance and Results Act
- NIH Financial Oversight
- NIH Grants represent approximately 80% of the NIH budget
- GAO reviews

Organizational Structure

- Program Review
- Grants Management
- Office of Financial Management
- Payment Management System

Department of Health and Human Services



Financial Review

- Pre-Award
- During period of performance
- Close out

Financial Actions

- Award
- Financial Reporting
- Progress Reports
- Communications
- Monitoring
- Payments
- Final Reports

Major Systems

- Information for Management, Planning, Analysis, and Coordination (IMPAC)
- Central Accounting System (CAS)
- Payment Management System (PMS)
- New Business System

Pre- Award

- Costs Reasonable and Allowable
- Cost Analysis
- Applicants ability to manage federal funds
- Costs are supported by Grantees Financial System
- History of Grant Activity
- Internal Controls

Management and Monitoring

- Cash Management Policies and Procedures
- Maintain adequate records
- Track costs and progress
- Prompt reporting - information is available when needed to prepare financial reports
- Communication of changes

Award Process

- Grants released into Accounting System on the same day as awarded
- Edits to ensure accounting system agrees with Grant System
- Authorizations transmitted to the Payment Management System the next business day
- Edits to ensure systems are in agreement

Key Data Elements

- Grant Number
- Document Number
- Entity Identification Number

Sample Application Number

- 1 U45 ES 12345- 01 A1 S1
- 1 = New Application
- U45 = Hazardous Waste Worker Health and Safety Training Cooperative Agreements
- ES = National Institute of Environmental Health Sciences
- 12345 = Unique Identification Number

Continuation

- 01 - First year of support
- S1 - First Supplemental award
- A1 - First amended application

Sample Document Number

- 08U5ES12345A
- 08 = NIH
- U5 = Activity Code
- ES = Awarding Institute
- 12345 = Unique Identification
- A = First competitive segment

Entity Identification Number

- 1123456789A1
- 1 = organization
- 123456789 = IRS employer number
- A1= administrative component

Payment Management System

- Central Registry for all Payees
- Cash Management
- Reporting of Disbursements
- Monitoring

Central Registry

- No grants can be awarded unless the organization is registered in the system
- Change of Address - including banking information
- Ensures one payee per grantee

Cash Management

- Automatic Cash Handling
- Fed-Wire
- Checks- Emergency only
- Advance Payments

Timing

- Fed-Wire - same day
- ACH - next day
- Check - 13 days

Mechanisms

- SMARTLINK - Web based
- CASHLINE- Touch Tone Phone
- 270 - Check
- Telephone - Emergency Payments

Disbursements

- Quarterly 272
- Request cash as you write checks
- Track costs by project

Monitoring

- Quarterly review of organizations
- Change to reimbursement method of payment
- Close- out match with Final FSR
- Review for large balances or accelerated payments
- Correct any accounts immediately

Financial Status Report

- Timely and Accurate
- Reflects Unobligated Balances
- Program Income
- Unliquidated Balances
- Matches Cash Disbursements
- Reflects Scientific Progress
- Subcontracts

Close out

- Financial Status Report
- 272 Report
- Progress Report
- Invention Report

Where to get information

- Seminars such as this one
- Grants Policy Statement
- FSR Users Guide
- Grants Management Contacts
- Program Officers
- OMB - Cost Principles
- WEB -<http://www4.od.nih.gov/ofm/>

Conclusion

- We have to minimize administrative costs
- Get the most research for limited tax dollars
- Ensure confidence
- Build best practices
- Effectively communicate